

AMENDED IN ASSEMBLY AUGUST 10, 2004

AMENDED IN ASSEMBLY JULY 28, 2004

AMENDED IN ASSEMBLY JUNE 23, 2004

AMENDED IN ASSEMBLY JUNE 16, 2004

AMENDED IN SENATE MAY 5, 2004

AMENDED IN SENATE APRIL 14, 2004

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**SENATE BILL**

**No. 1703**

**Introduced by Senator Alarcon**

February 20, 2004

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An act to add Division 32 (commencing with Section 60000) to the Public Resources Code, relating to the environment.

LEGISLATIVE COUNSEL'S DIGEST

SB 1703, as amended, Alarcon. California certified green business program.

Existing law establishes various programs to reduce waste and protect the environment.

This bill would establish a voluntary California certified green business program to certify businesses that engage in environmentally beneficial operations. The bill would authorize a county or city, or its designated agent, to institute a California certified green business program by notifying the California State University, Hayward's Environmental Finance Center, designating a green business coordinator, and implementing the program in accordance with specified guidelines.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Division 32 (commencing with Section 60000)  
is added to the Public Resources Code, to read:

DIVISION 32. CALIFORNIA CERTIFIED GREEN  
BUSINESS PROGRAM

CHAPTER 1. LEGISLATIVE FINDINGS AND DECLARATIONS

60000. (a) The Legislature finds and declares all of the  
following:

(1) In 1996, the Association of Bay Area Governments, in  
partnership with the United States Environmental Protection  
Agency, California Environmental Protection Agency, and bay  
area counties, cities, regional agencies, utilities, and other  
stakeholders, created the Bay Area Green Business Program, a  
voluntary alliance among businesses, government agencies,  
utilities, and the public, that assists businesses in reducing harmful  
impacts to the environment and public health and in selecting  
practices that improve environmental protection. The program  
improves regulatory compliance, reduces solid waste, prevents  
pollution, and conserves resources. From inception to 2004, over  
350 businesses in 20 different industry sectors have been certified  
as “green businesses,” and in 2002, the program was honored with  
a Governor’s Environmental and Economic Leadership Award.  
Since inception, the United States Environmental Protection  
Agency and the California Environmental Protection Agency  
have allotted grants to the Bay Area Green Business Program and  
individual counties, in excess of three hundred thousand dollars  
(\$300,000), and the United States Environmental Protection  
Agency has funded other statewide programs within the western  
region of the United States, and in some individual cases, has  
funded in excess of one hundred thousand dollars (\$100,000).

(2) The Bay Area Green Business Program has been  
successfully implemented in six bay area counties, and four  
additional California counties are launching green business

1 programs based on the Bay Area Green Business Program model.  
2 The green business program has helped participating businesses  
3 make choices that protect the environment, by giving them  
4 specific alternatives and direction in order to make their businesses  
5 more sustainable, and has created greater environmental  
6 awareness throughout the bay area. As a result, the environment  
7 suffers less damage, water and energy have been conserved, and  
8 solid waste and wastewater have been reduced.

9 (3) Participating businesses have received assistance and  
10 guidelines for environmental regulatory compliance, public  
11 recognition, access to comprehensive environmental performance  
12 information, access to streamlined processes, cost savings  
13 associated with reduced use of hazardous substances, and use of  
14 more efficient technologies, and facilitated communications with  
15 regulatory agencies. The businesses have improved employee  
16 health and safety and access to the latest hazardous and solid waste  
17 reduction technology and practices, and have a better reputation  
18 with the public.

19 (4) Regulatory agencies have reported improved compliance,  
20 better working relationships with businesses, reduced costs, and  
21 improved efficiency in inspections through cross-training and  
22 other information sharing, coordination with other regulatory  
23 agencies, and a better relationship with the public.

24 (b) The Legislature further finds and declares all of the  
25 following:

26 (1) It is in the best interest of the state to encourage practices  
27 that protect and preserve the environment, the state's natural  
28 resources, and public health, to promote environmental justice,  
29 and to recognize those businesses that adopt environmentally  
30 sustainable business practices. A California certified green  
31 business, as defined in Section 60010, adds great value to the state  
32 and minimizes costs to the state, by using exemplary practices that  
33 protect the environment and preserve natural resources, thereby  
34 decreasing the state's need for future cleanup and other regulatory  
35 expenses. It is therefore in the best interest of the state to decrease  
36 public costs by encouraging businesses to become  
37 environmentally responsible through the green business program,  
38 as described in this division. Furthermore, the Legislature hereby  
39 declares that a consistent statewide program and consistent

1 statewide standards are necessary in order to use government  
2 resources efficiently and avoid confusion.

3 (2) The California certified green business program is an  
4 optional local program designed to facilitate more efficient and  
5 constructive relationships among public agencies and between  
6 businesses and the agencies that regulate and serve them. By  
7 fostering collaboration among governmental agencies, the  
8 program helps to improve and streamline the regulatory process  
9 and offers opportunities to leverage and reinforce partner  
10 agencies' business outreach. The program makes it easier for  
11 businesses to turn good intentions into actions that improve the  
12 environment and also benefit public health, worker health and  
13 safety, and the bottom line.

14 (3) The United States Environmental Protection Agency has  
15 ~~designated~~ *funded* California State University, Hayward's  
16 Environmental Finance Center, Region 9, *to serve* as the Western  
17 States Green Business Coordinator and has awarded funds to it for  
18 ~~that purpose~~. *Coordinator*.

## 19 20 CHAPTER 2. DEFINITIONS

21  
22 60010. For purposes of this division, the following definitions  
23 apply:

24 (a) "California certified green business" means a business or  
25 public agency that has been certified by a California city or county,  
26 that has complied with Section 60020, as having complied with the  
27 environmental criteria set forth in Section 60028, and that has  
28 undergone onsite ~~audits~~ *verification* by the responsible  
29 governmental agencies, their designated agent, or utilities.

30 (b) "Responsible agencies" includes those local or regional  
31 governmental agencies responsible for monitoring or enforcing  
32 compliance related to hazardous and toxic materials, stormwater  
33 runoff, air and water pollution, and wastewater, and those local or  
34 regional agencies, their designated agencies, or utilities  
35 monitoring energy and water use, solid waste disposal, and  
36 recycling.

37 (c) "Beyond compliance" means having complied with all  
38 state, federal, and local environmental laws and having voluntarily  
39 implemented measures in addition to what is required by existing

1 law, that conserve water and energy, prevent pollution, reduce  
2 waste, and protect the environment.

3 (d) “Beyond compliance general standards checklist” means  
4 a list of beyond compliance measures from which businesses may  
5 choose a minimum number, in accordance with the state standard  
6 established pursuant to subdivision (b) of Section 60026, and the  
7 standard set by the local implementing city or county or its  
8 designated agent, in order to satisfy the prerequisites for being  
9 certified as a California certified green business.

10 (e) “General standards checklist” means beyond compliance  
11 general standards checklist.

12 (f) “Industry-specific standards checklist” means a list of  
13 beyond compliance measures related to a particular industry from  
14 which businesses may choose a minimum number, in accordance  
15 with the state standard and the standard set by the local  
16 implementing city or county, in order to satisfy the prerequisites  
17 for being certified as a California certified green business.

18 (g) “Standards” means beyond compliance general standards  
19 or beyond compliance industry-specific standards, and includes  
20 any green business standards.

21  
22 CHAPTER 3. CALIFORNIA CERTIFIED GREEN BUSINESS PROGRAM  
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24 60020. A county or city, or its designated agent, may institute  
25 a California certified green business program by notifying the  
26 California State University, Hayward’s Environmental Finance  
27 Center, designating a green business coordinator, and  
28 implementing the program in accordance with the guidelines set  
29 forth in this division.

30 60021. A county or city that institutes a California certified  
31 green business program may limit the scale or type of businesses  
32 that it may certify in order to better assist small to medium sized  
33 consumer-oriented businesses that typically do not have onsite  
34 environmental staff.

35 60022. A business, located within a jurisdiction where there  
36 is a California certified green business program, that wishes to  
37 become a California certified green business may contact its local  
38 green business program coordinator in an established California  
39 certified green business program and receive comprehensive  
40 information and technical assistance to help it comply with all

1 applicable environmental regulations and adopt the prescribed  
2 measures to prevent pollution, conserve energy and water, and  
3 minimize waste. After responsible agencies verify through onsite  
4 ~~audits~~ *visits* that all standards have been met according to this  
5 section, the county or city may certify the business as a California  
6 certified green business.

7 60023. The certifying county or city may publish the list or  
8 directory of California certified green businesses, hold awards  
9 ceremonies for the businesses, and develop any other means with  
10 which to recognize California certified green businesses and alert  
11 the public of the special status or distinction. If a certified green  
12 business is not in compliance with the standards after certification,  
13 a certifying county or city shall alert the business and may revoke  
14 the green business certification, according to its revocation policy  
15 adopted at the time of the California certified green business  
16 program implementation.

17 60024. (a) California green business certification shall be  
18 conferred after an onsite verification that the business has met the  
19 California certified green business standards at the verified site. If  
20 the business is part of a chain or franchise, any location within a  
21 participating jurisdiction interested in certification may apply and  
22 those sites that individually meet the California certified green  
23 business standards in that jurisdiction may be certified.

24 (b) Certification only applies to those businesses that have  
25 successfully satisfied the California certified green business  
26 program standards, which address the operations of a business at  
27 the certified premises. The California certified green business  
28 program does not certify manufactured products, professional  
29 qualifications, or quality of service.

30 (c) Certification may not exceed a period of three years.  
31 Responsible agencies may choose to inspect businesses more  
32 frequently than every three years.

33 (d) If a previously certified business fails to comply with the  
34 California certified green business program standards required for  
35 recertification, an implementing city or county or its designated  
36 agent shall revoke certification and remove any or all accolades  
37 from the premises of the business.

38 (e) A business that manufactures toxic or hazardous materials  
39 is not eligible to be certified as a California certified green  
40 business. State guidelines developed according to this section and



1 local coordinators may further determine that a business,  
2 including, but not limited to, a business that produces substantial  
3 quantities of hazardous waste or uses substantial quantities of toxic  
4 materials ~~is not eligible~~ *may also be ineligible* to be certified as a  
5 California certified green business.

6 60025. In order to qualify as a California certified green  
7 business, a business shall, at minimum, satisfy all of the following:

8 (a) Agree to the California certified green business pledge as  
9 specified in Section 60027 and post the pledge in a visible location.

10 (b) Be in full compliance with all applicable federal, state, and  
11 local environmental regulations. Compliance at a business shall be  
12 verified by each agency with jurisdiction over its particular  
13 operations. Agencies with jurisdiction may include those  
14 regulating wastewater and stormwater discharges, air emissions,  
15 and hazardous materials. If the business was inspected within the  
16 previous year and found to be in compliance with all  
17 environmental laws by agencies with jurisdiction as required by  
18 law, and the business has no subsequent uncorrected violations,  
19 then compliance verification may be completed through record  
20 checks with those agencies.

21 (c) Implement the measures to meet the criteria in the checklist  
22 posted pursuant to Sections 60026 and 60028.

23 60026. (a) As California State University, Hayward's  
24 Environmental Finance Center, has been funded by the United  
25 States Environmental Protection Agency to serve as the Western  
26 States Green Business Coordinator, until January 1, 2008, it shall  
27 work to promote consistency and continuity throughout California  
28 pursuant to this section. The center shall assist jurisdictions that  
29 seek to develop and implement a California certified green  
30 business program in all of the following ways:

31 (1) Identify, establish, and expand working relationships with  
32 relevant agencies and organizations.

33 (2) Provide information to interested cities or counties, or their  
34 designees, about program implementation.

35 (3) Provide guidance and oversight for modifications to the  
36 general and industry-specific beyond compliance standards  
37 checklist and green business program guidelines.

38 (4) Establish a statewide voluntary committee consisting of  
39 city, county, or regional green business coordinators and relevant  
40 state or local agencies that wish to participate in the committee and



1 work with the committee to develop and implement processes and  
2 refinement for the California certified green business program.

3 (b) California State University, Hayward's Environmental  
4 Finance Center, in consultation with relevant and interested state  
5 and local environmental regulatory and resource conservation  
6 agencies, shall establish, modify, and periodically update the  
7 general standards checklist and industry-specific standards in  
8 order to establish the beyond compliance general standards  
9 checklist required by Section 60028, and shall post that specific  
10 checklist on its Web site. The center may consult with the  
11 California Integrated Waste Management Board, the Department  
12 of Toxic Substances Control, and other relevant agencies to ensure  
13 that general and industry-specific standards are consistent with  
14 best management practices and current regulatory standards as  
15 well as new technologies and alternatives to hazardous materials.  
16 Interested parties may also submit recommendations for the  
17 general standards checklist.

18 (c) By January 1, 2008, the center, in consultation with the  
19 volunteer statewide committee and interested state environmental  
20 agencies, shall report the program's implementation results and  
21 submit recommendations to the Legislature for the effective  
22 continuation of the program.

23 (d) The center shall not pursue an appropriation or  
24 noncompetitive state funds to implement this section until at least  
25 January 1, 2008.

26 60027. A California certified green business shall do all of the  
27 following:

28 (a) Monitor rates of water and energy usage and solid and  
29 hazardous waste generation.

30 (b) Provide ongoing incentives or training opportunities to  
31 encourage management and employee participation.

32 (c) Inform customers about its business' efforts to meet the  
33 green business standards.

34 (d) Assist at least one other business in learning about the green  
35 business program and encourage it to enroll.

36 (e) Adopt the California certified green business pledge, as  
37 follows:

38 "Our company commits to protecting the environment by  
39 adopting this green business pledge. We believe a successful  
40 business is dependent on a healthy environment. We are actively



1 working to show our environmental responsibility to our  
2 community by committing to the following objectives:

3 “(1) To comply with all applicable regulations and strive to  
4 exceed compliance.

5 “(2) To conserve energy, water, materials, and other resources.

6 “(3) To develop and implement practices that prevent pollution  
7 and waste.

8 “(4) To be an environmentally responsible business within our  
9 community.”

10 (f) Implement beyond compliance measures in accordance  
11 with the beyond compliance general standards checklist, or  
12 relevant industry-specific checklist and any additional measures  
13 required by the implementing city or county to conserve energy  
14 and water, reduce waste, and prevent pollution pursuant to Section  
15 60028.

16 60028. (a) The California certified green business beyond  
17 compliance general standards checklist criteria shall include, but  
18 are not limited to, all of the following:

19 (1) Energy conservation, as follows:

20 (A) Obtain a commercial energy assessment of the facility  
21 from the local energy utility or energy service company.

22 (B) Perform regular maintenance on heating, ventilation, and  
23 air conditioning systems (HVAC).

24 (C) Implement equipment or technology improvements and  
25 behavioral changes that reduce energy consumption.

26 (2) Water conservation, as follows:

27 (A) Conduct an indoor and outdoor water assessment of the  
28 facility.

29 (B) Implement applicable simple conservation measures listed  
30 in program checklists.

31 (C) Implement suggested additional industry-specific water  
32 conservation measures.

33 (3) Solid waste reduction, as follows:

34 (A) Conduct a waste reduction assessment of the facility’s solid  
35 waste streams.

36 (B) Implement solid waste reduction, reuse, and recycling  
37 measures.

38 (C) Purchase recycled or used materials and products.

39 (4) Pollution prevention, as follows:

- 1 (A) Conduct an assessment of the facility to identify pollution  
2 prevention opportunities.
- 3 (B) Implement pollution prevention measures in the following  
4 categories where applicable:
- 5 (i) Good housekeeping and operating practices.  
6 (ii) Materials, product, technology, or process changes.  
7 (iii) Reuse or recycling of hazardous materials or wastes.  
8 (iv) Preventing contamination of stormwater and runoff.  
9 (v) Reducing fleet or employee commute vehicle emissions.
- 10 (b) A participating city or county, or its designated agency,  
11 shall adopt the standards as a minimum requirement and may  
12 adopt stronger standards ~~or modifications~~. *A city or county may*  
13 *also modify the general standards checklist or industry specified*  
14 *lists to meet its individual community needs or to reflect local*  
15 *regulations, ordinances, programs, and environmental priorities,*  
16 *if the modifications meet the minimum standards set forth in this*  
17 *section.*
- 18 (c) In addition to the general standards checklist that sets out  
19 the criteria and provides suggested implementation measures in  
20 each beyond compliance category, industry-specific checklists  
21 that have been developed for retail businesses, auto repair shops,  
22 printing operations, restaurants, hotels, offices, wineries, and  
23 landscaping companies shall be used whenever applicable. A city  
24 or county, or its designated agent, may, in concert with the  
25 California State University, Hayward's Environmental Finance  
26 Center, or with the statewide committee, develop checklists for  
27 additional industries.
- 28 (d) The beyond compliance general standards checklist and  
29 industry-specific checklists shall provide businesses with  
30 examples of practices from which they may choose the number  
31 specified in either the general standards checklist or the  
32 industry-specific checklist established by this section and by the  
33 implementing city or county. A business may receive credit toward  
34 certification for measures previously implemented and may  
35 request exemptions for criteria that are not applicable for its  
36 business.

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